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6 October 1987

JUDGE:

Speaking Invitation
The International Association of Credit Card Investigators
Asheville, North Carolina
24 August 1988

Mr. Desker Campbell, Conference Chairman for the International Association of Credit Card Investigators (IACCI), has invited you to be the keynote speaker at their Annual Training Conference in Asheville, North Carolina on 24 August 1988, at 10:30 a.m. The suggested format is 20 minutes of remarks followed by 10 minutes of questions and answers. The topic of your speech would be at your discretion. You could expect an audience of 600 delegates including representatives from 27 foreign countries.

The IACCI works closely with federal law enforcement agencies in combating credit-related crime. The organization has a membership of 3100 federal, state, and municipal law enforcement officers and security personnel of companies that issue credit cards and travelers checks. The IACCI members are primarily engaged in the prevention, detection, and investigation of credit card and travelers check fraud for the purpose of apprehension and prosecution of offenders.

When you were Director of the Bureau, you declined invitations from the IACCI in 1978 and 1986. Since the Agency is not in law enforcement, I do not believe this group is an appropriate group for you to address. If you agree, attached is a letter for your signature.

STAT
STAT
DCI/PAO/WM

[Redacted] 60Oct87

[Redacted]
Bill Baker

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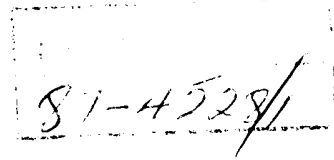
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F-309-11

Central Intelligence Agency



Washington, D. C. 20505



19 OCT 1987

Mr. Desker Campbell
Conference Chairman - 1988
International Association of Credit Card Investigators
Fraud Prevention Services Division
1600 Peachtree Street, N.W.
Atlanta, GA 30309

Dear Mr. Campbell:

Thank you for your invitation to be the keynote speaker at the International Association of Credit Card Investigators Annual Training Conference on August 24th in Asheville. In my new position as Director of Central Intelligence, my schedule is heavily committed and I am unable to accept your invitation. Credit card fraud is one of the deep concerns in our financial structure today and I believe your mission is an important one. I am honored to be invited again.

Best wishes for a successful training conference.

Sincerely yours,

/s/ William H. Webster

William H. Webster
Director of Central Intelligence

INTERNATIONAL
ASSOCIATION
OF CREDIT CARD
INVESTIGATORS



INTERNATIONAL OFFICE: 1620 GRANT AVENUE, NOVATO, CALIFORNIA 94947

For return address see next page

Telephone: (415) 897-8800

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September 1, 1987

Mr. William H. Webster
Director
Central Intelligence Agency
Washington, DC 20505

Dear Mr. Webster:

The International Association of Credit Card Investigators (IACCI) will conduct its Annual Training Conference in Asheville, North Carolina during August 24-26, 1988.

The delegates attending will be approximately 600; and will represent the United States as well as twenty seven (27) foreign countries.

Our membership, which numbers in excess of thirty one hundred (3100), is made up primarily of Federal, State, and Municipal Law Enforcement Officers and Security Personnel of companies issuing credit cards and travelers cheques. Most industrial and corporate members are former law enforcement officers primarily engaged in the prevention, detection, and investigation of credit card and travelers cheque fraud for the purpose of apprehension and prosecution of offenders.

We would be honored if you could participate in our program as the "Keynote Speaker" on Wednesday, August 24, 1988, at 10:30 am, your message could be your choice.

We are striving to make the 1988 training conference the most fraternal, educational and successful one to date. I know your presence would add significantly to our conference.

Memorandum to Mr. William H. Webster
September 1, 1987
Page Two

Mr. Webster, you were our number one choice in 1978, in your, then, new position as the Director of the FBI. Again, you are our number one choice for 1988. A reply by letter to me would be appreciated at the earliest.

Sincerely,


Lesker Campbell
Conference Chairman - 1988

DTC/tcr

Attachment: Ltr., dtd., March 7, 1978 (W.H.W.)

cc: Linda Turner
Carolinas Chapter
Secretary

Return Address:

CBI/Equifax
Fraud Prevention Services Division
1600 Peachtree Street, N.W.
Atlanta, Ga 30309

OFFICE OF THE DIRECTOR



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

WASHINGTON, D.C. 20535

March 7, 1978

Mr. Desker M. Campbell
President, Carolinas Chapter
International Association of
Credit Card Investigators
Post Office Box 1115
Hickory, North Carolina 28601

Dear Mr. Campbell:

I am in receipt of your kind invitation to be the keynote speaker at the annual training institute of your association on September 27, 1978.

Regretfully, I must decline because of the demands on my time occasioned by this position. As you commented in your letter, the schedule is a busy one.

I do appreciate the honor of your invitation and the courtesy of early notice.

Sincerely yours,

A handwritten signature in cursive script, reading "William H. Webster", is written over the typed name.

William H. Webster
Director



LEVEL 1 - 1 OF 9 STORIES

PAGE 1

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United States Banker

November, 1986, National Edition

SECTION: RETAIL; Pg. 92

LENGTH: 836 words

HEADLINE: To Catch A Thief

BYLINE: by Thomas P. Fitch; Senior Editor Thomas P. Fitch covers retail banking, operations and technology.

BODY:

Fraud, says security consultant Donn Parker, is like a water-filled balloon. Squeeze it at one end, and the balloon bulges somewhere else. Credit card counterfeiting, a growth industry in New York's crime underworld a few years ago, slowed to a trickle after financial institutions began putting holograms on Visas and MasterCard.

Thus thwarted, card criminals shifted their attention from counterfeiting to getting legitimate credit cards, with valid account numbers, under assumed names. Credit application fraud, also known as "real-person fraud," exploits the credit industry's weakest point, the front-end credit screening of new accounts, and is so new that industry statistics on the size of the problem are virtually nonexistent.

Real-person fraud is so easy anyone can do it. By assuming the identity of another person, a card criminal can apply, and get, any number of credit cards or replacement cards and have them mailed to a different address.

Trans Union Credit Information Co., a national credit bureau, recently produced a 22-minute film to prove the point. The film, based on a real-life incident earlier this year, showed how a 17-year-old was able to borrow the credit history of several unsuspecting people, including a Merrill Lynch executive, collect 36 different credit and travel cards, and make over \$100,000 in purchases.

The individual on whose exploits the film was based, a grocery store clerk with an 11th-grade education, was eventually apprehended by police -- in Trans Union's New York offices. A dramatic story, yes, but the incident is by no means an isolated one. According to credit investigators, application fraud is the industry's biggest single problem. Larry Howell, a Trans Union vice president, estimates that as many as three out of every 200 credit applications are fraudulent.

Some of the losses attributable to this kind of fraud have been linked to Nigerians, some of whom are college students, living in the United States. Some Nigerians, for reasons that are still not clear, are said to have turned to credit card crime to help finance college educations.

The Nigerian problem is real, and "getting worse," acknowledges Nick Maggio, chairman of the International Association of Credit Card Investigators, a group that works closely with federal law enforcement agencies in combating

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credit-related crime. But overall, he says, credit issuers have themselves to blame.

Too often, Maggio says, credit analysts overlook obvious inconsistencies in an application -- say, a janitor who reports an income of \$80,000 -- that are tip-offs that something is wrong. Another red flag is a Social Security number that doesn't match the one on a credit bureau report, or a residential address with a suite number. That number may be nothing more than a post office box, a mail drop.

Mail drops and mismatching data are also red flags that call out for attention. All five national credit bureaus by now have, or will have within six months, data files gleaned from credit bureau reports containing mail drops and defunct Social Security numbers used by people known to have committed card fraud.

An example is TRW's File Address Check Service (FACS), a data base of nonresidential addresses, and in some states, false identities or aliases. An alert goes out to FACS subscribers whenever the application data matches that in TRW's computers.

Sometimes, an alert is triggered by human error, a wrong number copied on the credit application. But often enough there is fraud involved. Credit criminals have used some very clever techniques to collect names, such as placing newspaper ads soliciting people interested in getting financial advice, or pulling them from company personnel records.

Alert services such as TRW's FACS and a similar service from Trans Union, called Hawk, can help bring application fraud under control. (Of course, the extra reporting carries an additional cost, as much as \$3 per "hit," or positive match.)

But even with file address or alert services, prevention depends on the credit grantors' diligence in using the information supplied. Several of the credit grantors who were burned by the 17-year-old credit card "artist," for example, were notified by Trans Union, but apparently chose to ignore the information.

Obviously, education of credit executives, along with advancements in the reporting technology, is the best short-term deterrent to card fraud.

Technology may eventually also play a role in fraud prevention. Teknekron Financial Systems of Berkeley, CA, has in development a computer-based expert system that assists credit analysts in spotting application fraud.

Postscript: The enterprising young man who starred in the Trans Union film is, as of this writing, free on bail, and walking the streets. At the end of the film he is being interviewed by a district attorney. "Could you get credit off of me?" the DA asks. "Sure," the young man replies, "if your credit is good."

LEVEL 1 - 2 OF 9 STORIES

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